Idaho Grain Market Report, July 10, 2020—NEW CROP PRICES

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Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday July 8, 2020. Barley prices in $/Cwt. And wheat prices in $/bu.

	Barley (Cwt.) FEED 48 lbs or better	MALTING Open Market Malting	Wheat (bu.) Milling #1 SWW	#1 HRW 11.5% Protein	#1 DNS 14% Protein	#1 HWW
Rexburg / Ririe	6.00		4.05-4.32	4.30	4.95	4.30-4.35
Idaho Falls		8.30-8.33				
Blackfoot / Pocatello		7.06				
Grace / Soda Springs						
Burley / Rupert	6.00		4.50	4.50	4.94	4.60
Twin Falls / Buhl Jerome / Wendell	5.00		4.25			
Nampa / Weiser			NA			
Nezperce / Craigmont	4.71		5.05	5.01	5.61	
Lewiston	5.23		5.31	5.27	5.87	
Moscow / Genesee	4.74-4.93		5.08-5.15	5.04-5.11	5.64-5.76	

Prices at Selected Terminal Markets, cash FOB

Wednesday July 8, 2020. Barley prices in $/Cwt. And wheat prices in $/bu.

	#2 Feed Barley 46 lbs. --	Malting Barley	#1 SWW	#1 HRW 11.5% Protein	#1 DNS 14% Protein	#1 HWW
Portland			5.75-5.80	5.78-6.03	6.14-6.34	
Ogden						
Great Falls	4.60-6.00			4.39-4.72	4.93-5.16	
Minneapolis						

Market News and Trends This Week

BARLEY—Idaho cash feed barley prices were unchanged for the week ending July 8. Idaho cash malt barley prices were unchanged for the week. No net barley sales were reported by USDA FAS for the week of June 26– July 2. Exports of 200MT were reported to South Korea.

Barley and Beer Industry News—The **June 30, 2020 USDA Barley Acreage Report shows Idaho with an estimated 480,000 harvested barley acres for 2020**, compared to 520,000 in 2019. However, in 2019, the same report estimated Idaho to harvest 485,000 barley acres and the state actually harvested 520,000 acres. Final harvested acreage will be reported in the USDA Annual Small Grains Summary to publish on September 30. The June 30 report estimates that U.S. producers planted 2.797 million acres of barley in 2020, up 76,000 acres or 2.7% from 2019. States showing acreage increases for 2020 include Colorado, Minnesota, Montana, and Washington. Idaho led the nation in barley production in 2019 producing 54.6 million bushels of barley on 520,000 harvested acres at an average yield of 105 bushels per acre.

In other news, on June 25, **USDA's Risk Management Agency (RMA) finalized important malting barley endorsement changes to Federal Crop Insurance availability effective for the 2021** and succeeding crop years. The Federal Crop Insurance Corporation Board of Directors approved the following changes to the Malting Barley Endorsement (MBE), under section 508(h) of the Federal Crop Insurance Act: Expansion to 35 Ohio counties; **Quality adjustment will now be determined using Local Market Price**; and **Quality adjustment will now impact barley actual production history**. These changes will benefit Idaho growers over time since rates will be more localized. With Idaho's more consistent growing conditions compared to many other states, there are typically fewer claims from Idaho compared to many other barley growing areas. See your crop insurance provider for further information.

Market News and Trends This Week—continued

WHEAT—Idaho cash wheat prices were mixed for the week ending July 8. SWW prices ranged from up $0.10 to up $0.41 from the previous week; HRW prices were up $0.05 to up $0.20; DNS prices were down $0.15 to up $0.13; and HWW prices were unchanged to up $0.30. USDA FAS reported net export sales for 2020/2021 for the period June 26– July 2 at 326,100 MT. Increases were to Mexico (139,400 MT), the Philippines (73,000 MT), Ecuador (33,200 MT), Haiti (27,500 MT), and Italy (25,200 MT). Exports of 410,100 MT were to Mexico (111,700 MT), Taiwan (53,400 MT), Malaysia (47,300 MT), Italy (46,200 MT), and Guatemala (40,800 MT).

Wheat News—The USDA National Agriculture Statistics Service report released in June 30 suggests Idaho farmers shifted tens of thousands of acres typically reserved for potatoes, barley and sugar beets to spring wheat amid the coronavirus pandemic. Nationwide, farmers planted their smallest combined acreage of fall and spring wheat since 1919, when records were first kept. The U.S. all-wheat planted acreage dropped 2% to 44.25 million acres. In Idaho, many farmers still viewed spring wheat as the best remaining option after having potato and barley contracts cut, largely due to the economic hit of the COVID-19 crisis. The state's growers planted 720,000 acres of fall wheat, down 10,000 acres from the prior season. However, the report shows they planted 540,000 acres of spring wheat, up about 14% from the 465,000 acres planted during the prior year. In other news, the pace of France's winter wheat harvest this week remained ahead of last year, reaching 10% complete - aided by the drier weather at the start of July - although the crop's conditions slipped, data from the French farm office showed Friday.

CORN—USDA FAS reported net export sales for 2019/2020 for period June 26– July 2 of 599,200 MT, increases were primarily to China (407,200 MT), Colombia (102,500 MT), Mexico (90,600 MT), Honduras (13,000 MT), and Nicaragua (12,800 MT). Exports of 1,084,300 MT were to Mexico (358,500 MT), Japan (286,900 MT), Colombia (142,200 MT), the Dominican Republic (70,500 MT), and China (66,500).

Ethanol Corn Usage—DOE's Energy Information Agency (EIA) reported ethanol production for the week ending July 3 averaged 914 thousand bbls/day – up 1.56 percent from the previous week and down 12.70 percent from last year. Total ethanol production for the week was 6.398 million barrels. Ethanol stocks were 20.62 million bbls on July 3, up 2.26 percent from last week and down 10.38 percent from last year. An estimated 91.58 million bu of corn was used in last week's production bringing this crop year's cumulative corn usage for ethanol production at 4.08 billion bu. Corn used needs to average 98.377 million bu per week to meet USDA estimate of 4.9 millions bu for the crop year.

Futures Market News and Trends—Week Ending July 9 2020

FUTURES MARKET SETTLEMENT PRICES for the Week Ending Thursday, July 9, 2020:

Commodity	July 2020	Week Change	July 2020	Week Change	September 2020	Week Change	December 2020	Week Change
CHI SRW	**$5.26¼**	**$0.36¾**	**$5.25**	**$0.31¾**	**$5.30**	**$0.29**	**$5.35**	**$0.26¼**
KC HRW	**$4.52**	**$0.19¼**	**$4.56¾**	**$0.18¼**	**$4.68**	**$0.16½**	**$4.79¼**	**$0.16**
MGE DNS	**$5.14¾**	**$0.15¾**	**$5.26**	**$0.13¼**	**$5.39**	**$0.13½**	**$5.51¼**	**$0.12¼**
CORN	**$3.51¼**	**$0.04¾**	**$3.48¾**	**$0.02¼**	**$3.57**	**$0.00¾**	**$3.66¾**	**$0.00¾**

WHEAT FUTURES—Wheat futures prices soared as wheat exports increased. **Wheat futures prices ranged from up $0.12¼ to up $0.36¾ (per bu) compared to the previous week.**

CORN FUTURES—Corn futures prices were up for the week with a increase in exports. **Corn futures prices ranged from up $0.00¾ to up $0.04¾ (per bu) under the previous week.**

CRUDE OIL FUTURES—In June, OPEC+, agreed to extend their deep production cuts through July in an effort to rebalance oversupplied markets in the face of pandemic-hit demand. But now there are signs that the pendulum could have swung a bit too far, with the markets beginning to experience shortages of key crude grades.

EIA reported U.S. crude oil refinery inputs averaged 14.3 million bbls/day during the week ending July 3, 2020 was 315 thousand bbls/day more than last week's average. Refineries operated at 77.5% of capacity last week. As of July 3, there was an increase in Crude Oil stocks of 5.654 million bbls from last week to 539.181 million bbls, over the 5-year average of 456.026 million bbls. Distillate stocks increased by 3.135 million bbls to a total of 177.262 million bbls, over the 5-year average of 140.006 million bbls; while gasoline stocks decreased by 4.839 million bbls to 251.682 million bbls, over the 232.388 million bbl 5-year average. The national average retail regular gasoline price was $2.177 per gallon on July 6, $0.003 higher than last week's price but $0.566 under a year ago. The national average retail diesel fuel price was $2.437 per gallon, up $0.007 per gallon from last week's level and down $0.618 from a year ago.

NYMEX Crude Oil Futures finished the week ending Thursday, July 9, 2020 to close at $39.62/bbl (August contract), down $1.01 for the week.

USDA Crop Progress/Condition Report—July 6, 2020

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition Rating % Good/ Excellent	Previous Week	Previous Year
US Winter Wheat Harvested	56%	41%	42%	55%	51%	52%	64%
ID Winter Wheat Harvested	**1%**	**-**	**-**	**1%**	**76%**	**-**	**-**
US Spring Wheat Headed	63%	36%	47%	68%	70%	69%	78%
ID Spring Wheat Headed	**66%**	**41%**	**63%**	**73%**	**70%**	**72%**	-
US Barley Emerged	100%	100%	100%	100%	-	-	-
ID Barley Emerged	**100%**	**100%**	**100%**	**100%**	**-**	**-**	-
US Barley Headed	60%	39%	48%	67%	73%	75%	73%
ID Barley Headed	**64%**	**56%**	**66%**	**74%**	**61%**	**62%**	**-**
US Corn Silking	10%	4%	7%	16%	71%	73%	57%

USDA U.S. Crop Weather Highlights—July 8, 2020

West—Dry conditions promote fieldwork, including early season harvest for Northwestern winter wheat. Cool conditions in the Northwest. Dry conditions in the Southwest. Dry, breezy conditions from Wyoming to the Four Corners region and the southern Basin, elevating the wildfire threat. As of July 5, New Mexico was rated 62% of the rangeland and pastures very poor to poor conditions, compared the national average of 28%.

Plains—Cool, breezy conditions in the Montana and the Dakotas. Hot weather causing significant stress in rangeland, pastures, and rain fed summer crops across the southern half of the High Plains. As of July 5 Texas had 36% of its cotton rated in very poor to poor condition, along with 22% of its oats and 17% of its peanuts. National very poor to poor values for those three crops were 23, 10, and 8%.

Corn Belt—Hot, humid conditions. High temperatures have reached 95 degrees in parts of the Midwest, benefiting soft red winter wheat maturation and harvesting. Showers and thunderstorms in the upper Midwest.

South—Showers and thunderstorms at the South Carolina Coast. Showers from eastern Texas to northern and central Alabama, causing fieldwork delays.

Outlook for U.S.— A low-pressure system currently crossing the coastal Carolinas may become a named tropical storm moving northeastward near the Atlantic Seaboard. Heavy rainfall northward along the Atlantic Coast. Five-day rainfall totals could reach 1 to 3 inches or more, with some drought relief expected across New England . Showers and thunderstorms across the eastern half of the country, with 1- to 2-inch totals possible in some locations. The NWS 6- to 10-day outlook for July 13 – 17 calls for near- or above-normal temperatures and near- or below-normal rainfall across most of the country. Cooler conditions will be limited to the northern High Plains and the Northwest.

International Crop Weather Highlights—July 7, 2020

Europe— Rainfall in northeastern Europe favored later developing winter crops and maintained good prospects for vegetative to reproductive corn, sunflowers, and soybeans over the Balkans. Sunny, warm conditions promoted sinter grain harvesting but reduced topsoil moister and increased irrigation requirements for reproductive summer crops in Spain.

Middle East– Sunny skies and warm conditions favored vegetative to reproductive corn, cotton, and sunflowers; current early season yield prospects remained favorable in Turkey.

Asia– Monsoon showers across eastern India, favored rice, but not enough rain in western cotton and oilseed areas. Wet weather in much of eastern China benefited summer crops. Dry conditions in the northeast. Monsoon showers in Thailand and environs, boosted moisture conditions for rice.

Australia– Rainfall in the west benefited vegetative wheat, barley, and canola. Showers in the south and east benefited local winter grains and oilseeds but left some areas in need of rain.

South America– Rainfall in Argentina's southern winter grain belt. Cool, dry conditions in northern and western production areas. Rainfall in southern brazil maintained favorable moisture levels for wheat.

Mexico– Rainfall in western sections of the southern plateau corn belt.

Canada– Drought relief came to spring and summer crops in the eastern prairies. Flooding in Manitoba. Warm, dry conditions reduced moisture in Ontario and Quebec for summer crops.

FSU– Warm conditions promoted corn, sunflowers, and soybeans toward and into reproduction in Moldova, Ukraine, and southwestern Russia.

USDA Grain Stocks Report—June 30, 2020

Corn stored in all positions on June 1, 2020 totaled 5.2 billion bushels, unchanged from June 1, 2019. Of the total stocks, 3.0 billion bushels are stored on farms, unchanged from a year earlier. Off-farm stocks, at 2.2 billion bushels, unchanged from a year ago.

All wheat stored in all positions on June 1, 2020 totaled 1.04 billion bushels, down 4 percent from a year ago. On-farm stocks are estimated at 811 million bushels, down 25 percent from last June. Off-farm stocks, at 8.11 million bushels, are down 25 percent from a year ago.

Durum wheat stored in all positions on June 1, 2020 totaled 43 million bushels, down 23 percent from a year ago. On-farm stocks, at 33.2 million bushels, are down 21 percent from June 1, 2019. Off-farm stocks totaled 25.1 million bushels, down 13 percent from a year ago.

Barley stored in all positions on June 1 totaled 8 million bushels, down 1 percent from June 1, 2020. On-farm stocks are estimated at 80.2 million bushels, 7 percent above a year ago. Off-farm stocks, at 63.7 million bushels, are 13 percent below June 2019.

USDA WASDE World Agricultural Supply and Demand Estimates Report—July 10, 2020

WHEAT: The outlook for 2020/21 U.S. wheat this month is for larger supplies, lower domestic use, unchanged exports, and increased stocks. Supplies are raised as larger beginning stocks more than offset lower production. Beginning stocks are increased on the NASS Grain Stocks report, issued June 30, which indicated higher 2019/20 ending stocks than previously estimated. This also resulted in lowering 2019/20 feed and residual use by 61 million bushels to 74 million. Wheat production for 2020/21 is reduced 53 million bushels to 1,824 million. Winter wheat production is lowered 48 million bushels to 1,218 million with reductions in Hard Red Winter and Soft Red Winter. The initial 2020/21 survey-based production forecasts for other spring and Durum were issued this month by NASS. Other spring wheat is less than last year at 550 million bushels on lower forecast yields while Durum is higher at 56 million on increased harvested area. Domestic use is 10 million bushels lower this month, all on reduced feed and residual use as 2020/21 U.S. corn supplies are still projected significantly larger than last year. Projected 2020/21 exports are unchanged at 950 million bushels but there were several offsetting by-class changes this month. Ending stocks for 2020/21 are projected 17 million bushels higher than last month at 942 million. The projected season-average farm price (SAFP) is unchanged at $4.60 per bushel, compared to the revised 2019/20 SAFP of $4.58.

The 2020/21 global wheat outlook is for smaller supplies, reduced consumption, lower exports, and decreased stocks. Supplies are reduced 2.9 million tons to 1,066 million as larger beginning stocks are more than offset by reduced production, primarily in the EU, United States, Morocco, and Russia. EU production is lowered 1.5 million tons to 139.5 million, mainly on reductions for France and Spain. If realized, this would be the smallest EU wheat production since 2012/13. Morocco is lowered 800,000 tons to 2.7 million, the smallest output since 2007/08, primarily on updated government estimates. Russia is reduced 500,000 tons to 76.5 million as lower winter wheat production is partially offset by increased spring wheat output. Projected 2020/21 global trade is reduced 0.8 million tons to 188.0 million as lower EU exports are only partially offset by higher Australian exports. World consumption is lowered 1.6 million tons to 751.6 million, primarily on reduced feed and residual use in the EU, the United States, and Morocco. Projected 2020/21 world ending stocks are lowered 1.3 million tons to 314.8 million but remain record-large with China and India accounting for 51 and 10 percent of the total, respectively.

COARSE GRAINS: This month's 2020/21 U.S. corn outlook is for sharply lower supplies, reduced feed and residual use, increased food, seed, and industrial use, and lower ending stocks. Corn beginning stocks are raised 145 million bushels, based on lower use forecasts for 2019/20. Feed and residual use for 2019/20 is lower based on indicated disappearance during the first three quarters of the marketing year as reported in the June 30 Grain Stocks. Food, seed, and industrial use is lowered 45 million bushels. Corn used for ethanol is lowered 50 million bushels based on reported use to date and weekly ethanol production data reported by the Energy Information Administration during the month of June and into early July. Projected corn used for glucose and dextrose and starch are both raised, while that used for high fructose corn syrup is lowered. For 2020/21, corn production is forecast 995 million bushels lower based on reduced planted and harvested areas from the June 30 Acreage report. The national average corn yield is unchanged at 178.5 bushels per acre. During June, harvested-area weighted precipitation for the major corn WASDE-602-2 producing states as reported by the National Centers for Environmental Information was below normal, but did not represent an extreme deviation from the 1988 to 2019 average.

BARLEY: The July 10 WASDE report shows the outlook for 2020/21 U.S. barley supplies with a decrease for July at 257 million bushels compared to 281 million bushels estimated in the June report. The July report estimates a projected yield of 76.1 bushels/acre with 2.2 million acres expected to be harvested. Projected use is at an estimated 173 million bushels, and projected imports at 7 million bushels. Ending stocks for 2020/21 are projected to be 84 million bushels. The season-average farm price is at $4.45/bu on updated NASS prices compared to $4.30/bu in June.